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EXTRAORDINARY

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NEW DELHI, THURSDAY, JULY 1, 1948*

GOVERNMENT OF INDIA

MINISTRY OF LAW

New Delhi, the 1st July 1948

ORDINANCE No. XVI of 1948

AN

ORDINANCE

to provide for the control of the transfer of certain securities.

WHEREAS an emergency has arisen which makes it necessary to provide for the control of the transfer of certain securities which may be detrimental to the interests of India ;

NOW, THEREFORE, in exercise of the powers conferred by section 42 of the Government of India Act, 1935 (26 Geo. 5, c.2), the Governor General is pleased to make and promulgate the following Ordinance :—

1. **Short title and commencement.**—(1) This Ordinance may be called the Securities (Hyderabad) Ordinance, 1948.

(2) It shall come into force at once.

2. **Definitions**—In this Ordinance, unless there is anything repugnant in the subject or context,—

(i) “Bank” means the Reserve Bank of India ;

(ii) “Public Debt Office” means the office of the Reserve Bank of India on the books of which the Government security is registered or may be registered ;

(iii) “security” means—

(a) a Government security as defined in clause (2) of section 2 of the Public Debt (Central Government) Act, 1944 (XVIII of 1944) ;

(b) a Government security as defined in clause (a) of section 2 of the Indian Securities Act, 1920 (X of 1920) ;

(c) a security issued by any local authority in respect of any money borrowed by it ;

(iv) "security held by Hyderabad" means any security which is or was held by or on behalf of—

- (a) His Exalted Highness the Nizam of Hyderabad,
- (b) the Government of Hyderabad,
- (c) any officer of the Government of Hyderabad in his official capacity, or
- (d) the Hyderabad State Bank;

(v) "transfer," in relation to a security, includes the transfer of any interest in the security.

3. Transfer of certain securities to be with the approval of the Central Government.—Notwithstanding anything contained in any law for the time being in force—

(i) the Public Debt Office shall not without the approval in writing of the Central Government act on any instrument of transfer of any security held by Hyderabad in the form of stock presented to it on or after the 1st day of June, 1948, and without such approval no such instrument shall confer any rights or remedies in respect of the security on the transferee;

(ii) no transfer of a security held by Hyderabad otherwise than in the form of stock made on or after the 1st day of April, 1948, shall be deemed to have been effective so as to confer any rights or remedies in respect of the security on the transferee unless the transferee obtains the approval in writing of the Central Government to such transfer.

4. Decision of Central Government on certain questions to be final.—If any question arises whether a security is a security held by Hyderabad, or whether the security was presented on or after the 1st day of June, 1948, or, as the case may be, transferred on or after the 1st day of April, 1948, or whether the transferee of such a security has a good title thereto, the question shall be referred to the Central Government, and the decision of the Central Government thereon shall be final and shall not be questioned in any Court.

5. Declaration of holdings of securities held on behalf of Hyderabad.—(1) Every person holding any securities on behalf of—

- (a) His Exalted Highness the Nizam of Hyderabad, or
- (b) the Government of Hyderabad, or
- (c) any officer of the Government of Hyderabad in his official capacity, or
- (d) the Hyderabad State Bank

shall, within a period of fifteen days from the date of the commencement of this Ordinance or from the date on which he so holds any securities, whichever is later, make a declaration of such holding to the Bank giving full particulars as to the description, number and face value of such securities.

(2) If any person fails to comply with the provisions of sub-section (1), he shall be punishable with imprisonment for a term which may extend to one year, or with fine or with both; and any Court trying such person may direct that any securities in respect of which the Court is satisfied that an offence has been committed shall be forfeited to the Central Government.

6. Power to impound security transferred in contravention of Ordinance.—When any security held by Hyderabad otherwise than in the form of stock purporting to have been transferred on or after the 1st day of April, 1948, is presented to the Bank, the Bank may impound the same, and shall report the matter to the Central Government for orders thereon.

7. Cognizance of offences.—No Court shall take cognizance of any offence punishable under section 5 except upon a complaint made in writing by a person authorised in this behalf by the Central Government, and no Court inferior to the Court of a Presidency Magistrate or a Magistrate of the first class shall try any such offence.

8. Delegation of functions.—The Central Government may, by notification in the official Gazette, entrust any of its functions under this Ordinance to any officer or authority specified in this behalf.

9. Bar of legal proceeding.—No suit, prosecution or other legal proceeding shall lie against the Central Government, the Bank or any person or authority for anything done or intended to be done in good faith in pursuance of any of the provisions of this Ordinance.

C. RAJAGOPALACHARI,
Governor General.

K. V. K. SUNDARAM,
Secretary to the Govt. of India.

DEPARTMENT OF COMMUNICATIONS

New Delhi, the 1st July 1948

NOTIFICATION

No. 24-A/1-48.—In exercise of the powers conferred by clause (a) of sub-section (1) of Section 6 of the Indian Aircraft Act, 1934 (XXII of 1934), the Central Government, being of the opinion that it is in the interest of the public safety and tranquility so to do, is pleased to order that the following licences issued by the Air Transport Licensing Board be, and hereby are, suspended with effect from the 2nd July, 1948, until further orders namely—

1. Provisional Licence No. 4-46 for the route : Delhi—Bhopal—Nagpur—Hyderabad—Madras, issued on the 23rd September, 1946.
2. Provisional Licence No. 5-46 for the route : Hyderabad—Bangalore, issued on the 23rd September, 1946.
3. Provisional Licence No. 3-47 for the route : Hyderabad—Bombay, issued on the 1st February, 1947.

V. K. MENON, Asstt. Secy.

